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TAGS: [KNNP](#) [IR](#) [PREL](#) [PARM](#)
SUBJECT: ADDITIONAL INFORMATION ON IRANIAN-RELATED
ENTITIES IN FINCEN ADVISORY

REF: STATE 29398

[¶1.](#) (U) This is an action request. Please see paragraph 3.

SUMMARY/BACKGROUND

[¶2.](#) (U) On March 20, the U.S. Treasury Department's Financial Crimes Enforcement Network (FinCEN) issued an advisory to U.S. financial institutions on the risks to the international financial system arising from the deficiencies of Iran's anti-money laundering and combating terrorist financing (AML/CFT) regime. Washington requested that Mission present the advisory to the UNSC Iran Sanctions Committee (reftel). The advisory also references UNSCR 1803's call on states to exercise vigilance over transactions with Iranian banks, and for clarification, the FinCEN advisory includes a list of all banks that the USG considers to be Iranian financial institutions. FinCEN based this list on the criteria in paragraph 10 of UNSCR 1803: banks domiciled in Iran and their branches and subsidiaries abroad. Some countries, however, have questioned the link to Iran for those institutions listed in the advisory that are located outside Iran. This cable provides more detailed information concerning the ownership structure of these institutions.

OBJECTIVE/ACTION REQUEST

[¶3.](#) (U) Washington requests that Post, as appropriate, provide the additional information in paragraph 4 in response to questions or when the opportunity arises. If opportunities to use the information arise, Post should underscore the calls for increased vigilance with respect to Iranian financial institutions in UNSCR 1803 and to deficiencies in Iran's AML/CTF regime in FATF statements. Post should also emphasize the growing international consensus on the risks of engaging in Iran-related financial transactions.

ADDITIONAL INFORMATION ON BANKS LISTED IN FINCEN ADVISORY

[¶4.](#) (U) Most of the banks in the FinCEN advisory are easily classified as Iranian institutions because they are domiciled in Iran or are branches of Iranian banks. Seven of the banks, however, are located outside of Iran and the information provided in the FinCEN advisory, which consisted of names and locations only, did not explain their connection to Iran.

-- Arian Bank (Kabul, Afghanistan). According to open source information on the international banking industry, Arian Bank is a joint venture between Iran's Bank Melli and Bank Saderat.

-- Banco Internacional de Desarrollo SA (Caracas, Venezuela).

According to open source information, Banco Internacional de Desarrollo SA is a branch of the Export Development Bank of Iran (EDBI).

-- Europaeisch-Iranische Handelsbank AG (Hamburg, Germany). According to available open source information on international businesses, the Iranian Bank of Industry & Mines owns more than 50%, Bank Mellat owns more than 25% and Bank Tejerat owns less than 25%. There are two branches also located in Iran.

-- Future Bank BSC (Manama, Bahrain). According to its corporate documents, Future Bank BSC is controlled by Iran's Bank Melli, while Iran's Bank Saderat also holds a stake in the bank. Collectively, banks domiciled in Iran own approximately 66% of this bank, which qualifies this bank, for purposes of paragraph 10 of UNSCR 1803, as a subsidiary of banks domiciled in Iran.

-- Iran Overseas Investment Bank PLC (London, UK) now known as Bank Saderat PLC. According to open source information, Iran Overseas Investment Bank PLC (n.k.a. Bank Saderat PLC) is a wholly owned subsidiary of Iran's Bank Saderat.

-- Persia International Bank PLC (London, UK). According to the 2006/2007 Annual Report of Persia International Bank PLC, Iran's Bank Mellat owns 60% and Iran's Bank Tejarat owns the remaining 40%, making this bank a subsidiary of a bank domiciled in Iran. Open source information shows that Bank

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Melli and other Iranian banks list the Persia International Bank PLC as a correspondent bank, while Bank Mellat additionally lists the Persia International Bank as their only settlement bank for U.S. dollar settlements.

-- Persia International Bank PLC (Dubai, UAE). According to the 2006/2007 Annual Report of Persia International Bank PLC, this bank is a branch of the London-based Persia International Bank. It is therefore owned by Bank Mellat and Bank Tejarat, qualifying it, for purposes of paragraph 10 of UNSC resolution 1803, as a subsidiary of banks domiciled in Iran.

REPORTING DEADLINE

15. (U) Mission should provide a readout only if the information contained herein is used in response to questions at the time the advisory is presented to the Sanctions Committee. Please slug replies for ISN, IO, T, TREASURY, and NEA/IR. Please include SIPDIS in all replies.

POINT OF CONTACT

16. (U) Washington point of contact for follow-up information is Jennifer Chalmers, ISN/CPI, (202) 647-9715, chalmersja@state.sgov.gov.

17. (U) Department thanks the Mission for its assistance.
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